ANNUAL REPORT

for the fiscal year
ending March 31, 1987

Department of Municipal Affairs

The Honourable Alan R. Abraham
Lieutenant-Governor
Province of Nova Scotia

May It Please Your Honour:

I have the honour to present to you the thirteenth Annual Report of the Department of Municipal Affairs.

Respectfully submitted,

Laird Stirling

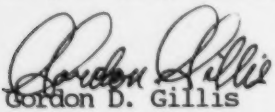
Laird Stirling

The Honourable Laird Stirling
Minister of Municipal Affairs
Province of Nova Scotia
Halifax, Nova Scotia

Sir:

I take pleasure in presenting to you a report of the activities of the Department of Municipal Affairs, for the year ending March 31, 1987.

Respectfully submitted,



Gordon D. Gillis

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REPORT OF THE DEPUTY MINISTER

The main objectives of the Department of Municipal Affairs are to provide municipal government in Nova Scotia with sound advice, guidance and assistance; to effectively administer the various financial programs available to the municipalities as well as the many Acts and Regulations affecting municipal government; to develop in consultation with municipal government, new innovative polices and programs aimed at meeting the changing needs of municipal government; and to foster and maintain good provincial-municipal relations through effective cooperation and consultation. The Department continued to work closely with the municipal governments of Nova Scotia to ensure that these objectives were realized.

Task Force

The Joint Union of Nova Scotia Municipalities-Department of Municipal Affairs Task Force on Municipal Reform continues to provide a valuable forum for the frank exchange of views and opinions. Comprised of senior staff of the Department and the executive director, solicitor and financial consultant of the Union of Nova Scotia Municipalities, the Task Force process has been instrumental in assisting the Department and the municipalities to better understand

The Department provides technical advice and assistance to the Provincial-Municipal Fact Finding Committee. This Committee is comprised of elected provincial and municipal representatives and chaired by the Premier. It meets on a regular basis to review and discuss all aspects of the duties and responsibilities of the two orders of government in the delivery and finance of services to the people of Nova Scotia.

Providing financial assistance to the Province's 66 municipalities continues to be a high priority for Municipal Affairs. During the fiscal year 1986-87, the Department provided approximately $74.9 million to municipalities in the form of grants. Of this amount, $60.4 million was made available under the Municipal Grants Act; $3.6 million was paid out under the Provincial Capital Assistance Program; and $1.6 million was distributed as planning grants.

The Department looks forward to continued cooperation and support from the Union of Nova Scotia Municipalities and its 66 member units as staff and elected officials work together toward a further strengthening of municipal government in Nova Scotia.

MUNICIPAL UNITS NOVA SCOTIA - POPULATION FIGURES 1986

CITIES

Dartmouth	65,243
Halifax	113,577
Sydney	28,115
	206,936

TOWNS

Amherst	9,671	Mulgrave	1,051
Annapolis Royal	631	New Glasgow	10,022
Antigonish	5,291	New Waterford	8,326
Bedford	8,010	North Sydney	7,472
Berwick	2,058	Oxford	1,376
Bridgetown	1,118	Parrsboro	1,729
Bridgewater	6,617	Pictou	4,413
Canso	1,285	Port Hawkesbury	3,869
Clark's Harbour	1,098	Shelburne	2,312
Digby	2,525	Springhill	4,712
Dominion	2,754	Stellarton	5,259
Glace Bay	20,467	Stewiacke	1,265
Hantsport	1,357	Sydney Mines	8,063
Kentville	5,208	Trenton	3,083
Liverpool	3,295	Truro	12,124
Lockeport	917	Westville	4,271
Louisbourg	1,355	Windsor	3,665
Lunenburg	2,972	Wolfville	3,277
Mahone Bay	1,093	Yarmouth	7,617
Middleton	1,772		173,400

MUNICIPAL UNITS NOVA SCOTIA - POPULATION FIGURES 1986
(continued)

RURAL MUNICIPALITIES

Annapolis County	20,068
Antigonish County	13,485
Argyle District	9,055
Barrington District	7,824
Cape Breton County	47,073
Chester District	10,605
Clare District	9,740
Colchester County	31,704
Cumberland County	17,331
Digby County	9,587
Guysborough District	7,294
Halifax County	119,588
Hants East District	18,181
Hants West District	13,345
Inverness County	18,077
Kings County	42,732
Lunenburg District	25,196
Pictou County	22,724
Queens County	9,830
Richmond County	11,841
Shelburne District	5,365
St. Mary's District	3,091
Victoria County	8,704
Yarmouth County	10,401
	492,841

ALL TOTALS **873,176**

Nova Scotia
Department of Municipal Affairs
P.O. Box 216, Halifax, Nova Scotia
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MUNICIPAL GOVERNMENT IN NOVA SCOTIA

The term "municipality" in Nova Scotia has two distinct meanings. In one sense it means all local governments, as is usual elsewhere in Canada. In another sense, it means a municipality incorporated pursuant to the Municipal Act and often referred to as a rural municipality.

Every part of Nova Scotia is organized as a city, town, or rural Municipality. The Province is geographically divided into 18 counties. Twelve of these counties constitute separate municipalities. The remaining six counties are each divided into two districts, and each of these districts constitute a separate municipality. There are thus 24 rural municipalities constituted under the Municipal Act.

In addition to the rural municipalities there are three cities incorporated under their respective City Charters and 39 towns incorporated pursuant to the Towns Act. While located within the boundaries of a rural municipality, the towns and cities are politically and administratively separate from and independent of the rural municipality, except with respect to joint expenditures.

There are, as well, a number of independent or semi-independent boards and commissions established either by provincial legislation or by municipal by-law providing various municipal services. Within a rural municipality, these organizations include:

(1) Village Commissioners incorporated under the Village Service Act for the purpose of providing municipal services to more densely populated areas of the rural municipality within their jurisdiction. There are currently 25 incorporated villages in Nova Scotia.

(2) Local service commissions incorporated by special Acts of the Legislature, generally for purposes of providing street lighting, fire protection, electric and water supply. There appears to be authority for 33 commissions; of these, at least some never operated. Few statistics for these commissions are available.

(3) Rural Fire Districts, incorporated under the Rural Fire District Act to provide fire protection within a designated area of a rural municipality. There are currently eight rural fire districts.

Village commissioners, local commissions, rural fire districts and some other special purpose bodies are authorized to levy taxes in addition to those levied by the rural municipality itself. In most cases these taxes are collected by the rural municipality. None of these special purpose bodies may be established in a town or a city.

In a number of cases, commissions and other special purpose bodies have been established in cities, towns and rural municipalities for such purposes as operating municipal facilities, for example a hospital, parking lot, utility, cemetery or rink; for implementing municipal programs such as parks and recreation; or for operating a joint municipal facility such as a courthouse. Generally, these commissions do not have power to levy a tax, and are financed directly by the municipal unit. It is estimated that there are in excess of 700 such special purpose bodies throughout the province.

Education remains the largest single item of expenditure for most municipalities. As a result of legislation proclaimed in early 1982, all but one of the 85 municipal school boards that previously administered local education were consolidated into 21 district school boards comprised of one-third elected representatives. Under the new system, school trustees may be elected from ratepayers and their spouses in a school section to assist the district school board in an advisory capacity. These trustees are now active in a number of cases.

The basic element of municipal finance is the property tax, together with a number of variants such as the occupancy tax. Also important to municipal governments are grants from the provincial and federal governments.

Further details concerning the municipalities and many of the other organizations that provide municipal services, including school boards, are contained in the Department's Annual Report of Municipal Statistics.

THE DEPARTMENT

The Department of Municipal Affairs was established under the authority of the Municipal Affairs (Supervision) Act of 1935, proclaimed in force on September 1, 1936, to provide for the supervision of municipal accounts and records and to regulate municipal borrowing.

The Act was intended to relieve the Legislature, which each year had been deluged with borrowing bills without sufficient time or the necessary machinery to make full inquiries. It was also intended to assure the investing public, asked to purchase municipal debentures, that a proper investigation of the merits of the borrowing had been made. This, in turn, was expected to reflect itself in a higher demand for such debentures.

From its initial role as a watch dog over municipal finance, particularly municipal capital borrowing, the Department's role has greatly expanded. The department of Municipal Affairs is now responsible for providing advice, guidance and assistance to municipal governments in Nova Scotia; for administering many of the provincial government's programs relating to municipalities; and for exercising general supervision of municipal affairs in the Province. As part of its assistance to municipalities the Department helps municipal units in such diverse areas as preparation

and review of by-laws before they are submitted for the Minister's approval, preparation and issuance of debentures, preparation of all borrowing resolutions for capital projects, development of programs as they relate to municipalities and liaison with the federal government in areas that involve municipal activities. The Department also has the responsibility of producing annual assessment rolls which form the basis for municipal taxation.

In addition to this assistance the Department is actively involved in assisting and providing educational courses for municipal officials. In co-operation with the Dalhousie Institute of Public Affairs the Department sponsors a correspondence course in municipal administration. Departmental staff provide training programs for building inspectors and development officers.

A brief history of the Department is outlined below with a summary of the Department's divisions and their responsibilities and activities in the following sections.

While an Assessment Division was not established until 1956, the Department's involvement in assessment dates back a number of years before that. In 1952 the Department established the first school for assessors which has since been continued annually. A correspondence course for assessors, offered by the Dalhousie Institute of Public Affairs, was instituted in 1961. These training programs have greatly increased the competence and professionalism of assessors.

The Assessment Act was thoroughly revised in 1966 creating several assessment regions. By 1969 there were 16 assessment areas -- 13 officially designated regions and three single large municipalities. On January 1, 1976, the Province assumed complete responsibility for the assessment function. As a result, 1978 was the first year that almost all property in the Province was assessed uniformly. The Division continues to supply each municipal unit with a complete and accurate yearly assessment roll.

In 1943, the Department first acquired planning responsibilities when the Town Planning Act of 1939 was proclaimed. This Act gave the Minister of Municipal Affairs the powers formerly exercised by the Minister of Public Works and Mines regarding approval of official town plans, planning by-laws, and for passing regulations with respect to planning. The Minister had the authority to order a municipality to plan, to zone

and to map; he/she could enforce a plan or a zoning by-law; and could, in the last extremity, take over the planning functions of a municipal unit. In practice, these coercive powers were not exercised because the Department considered planning could be better encouraged by providing advice and technical assistance. In 1957 the Department established the Community Planning Division as a source of consultation and advice for municipal units regarding planning matters. By 1968 it was evident that the Town Planning Act needed substantial revisions. A major review of the Act led to a new Planning Act in 1969, which was proclaimed in 1970.

During 1979 the Planning Act Review Committee was established to examine the Planning Act. Following the release of the Committee's report a new Planning act was introduced in, and subsequently passed by, the House in the Spring of 1983.

The first grants to municipalities of a general nature were the distribution of one-third of the payments in lieu of taxes made by the Canadian National Railways. The next substantial increase occurred in 1942, when the Province paid municipalities a per capita grant to compensate them for the loss of revenue resulting from the Province's surrendering its right and that of municipalities to levy income tax as a result of the federal-provincial tax rental agreement.

Between 1942 and 1967 the Province substantially increased its assistance to municipalities through a variety of programs. With the introduction of the Municipal Services Program in 1967 financial assistance to municipalities was greatly increased. This conditional program provided financial assistance for basic local services such as fire and police protection, garbage and refuse disposal, street lighting and the capital costs of roads, streets, water and sewage systems. In the same year, the Grants and Finance Division was established to administer the program.

The Municipal Grant Act was passed in 1979 providing the statutory framework for a major change in grants to municipalities from the Department of Municipal Affairs. Effective January 1980 a new system of unconditional and indexed grants consisting of a basic operating grant, a revenue guarantee, grants in lieu of taxes and a capital grant replaced the existing conditional grant program.

Also in 1980 the Grants and Finance, Administrative Services and Municipal Training Services were placed under the new Finance and Administration Division.

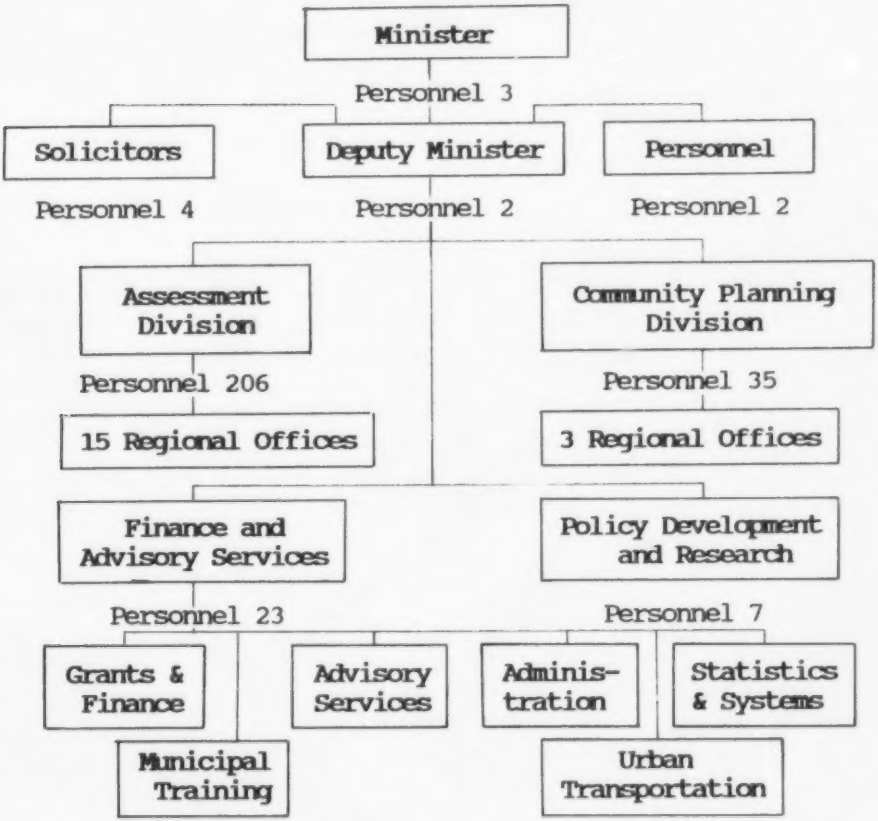
The Policy, Development and Research Division was established in 1974 to provide information to the Deputy Minister and the other divisions.

In an effort to provide a complete range of technical and administrative advice to municipalities, the Department established the Municipal Advisory Services Division in 1976.

In June 1986 the Municipal Advisory Services was amalgamated with Finance and Administration to form the Finance and Advisory Services Division.

ORGANIZATION CHART

Department of Municipal Affairs
March 31, 1987



ASSESSMENT

The Provincial Director of Assessment, who heads the Assessment Division of the Department of Municipal Affairs, is responsible for the administration of the Assessment Act in the Province of Nova Scotia. The Assessment Division, with a total staff of approximately 200, is one of four divisions in the Department and is comprised of 15 regional offices geographically located throughout the Province and a Head Office located in Halifax.

The regional office staff generally consists of assessors, assessment clerks and mapping technicians under the control of a regional director. Head Office has two Assistant Provincial Directors, a Coordinator of Data Control, plus three Operations officers acting as support staff and a Technical Unit consisting of a Chief Appraiser, a Co-ordinator of Manuals and an Appraiser. The Division has the services of a Solicitor located in Head Office who handles all legal matters for the Division.

The Province, through the Assessment Division, is responsible for property assessment in Nova Scotia. Under Section 38 of the Assessment Act, the following mandate is given:

> "All property shall be assessed at market value ... in forming his opinion the assessor shall have regard to the assessment of other properties in the town or municipality so as to ensure that taxation shall fall in a uniform manner upon all residential and resource property and in a uniform manner upon all commercial property in the town or municipality."

Once the property has been assigned an assessed value, this amount is recorded along with the values of all other properties in the city, town, or rural municipality, on a list that is known as the Assessment Roll. The Roll contains the names, addresses and assessment values of all assessable properties in the municipal unit.

Under Section 64 of the Assessment Act, the Assessment Division is required to provide each municipal unit with a complete Roll on or before December 31 of each year.

The 1987 Assessment Roll listed 458,134 property accounts found within 66 municipal units of Nova Scotia.

The Assessment Roll forms the basis for municipal property taxation which is the main source of revenue for the municipal units. Although property assessment is the responsibility of the provincial government the actual property taxation function is solely the responsibility of each respective municipality.

Once the municipal budget is determined, the municipal unit will set the tax rate based on the assessed value of property in that unit, and consequently bill the ratepayers.

The Assessment Roll is also used in administrating the extensive grant system under the Municipal Grants Act by the Finance and Administration Division of the Department of Municipal Affairs.

As previously mentioned, the assessed value of all property is based on its actual market value. Since it would be physically impossible for each assessor to personally inspect every property in his/her jurisdiction on a yearly basis, the assessor must, during the intervening years, continue to ensure that all properties are assessed uniformly.

Reassessment is conducted every three years and involves bringing the assessment of all properties to market values as of a new base date. The Division recently completed a province-wide reassessment for the 1987 taxation year. The base date for this reassessment is January, 1986 and will be used for the 1987, 1988 and 1989 taxation years with updated data reflecting additions and alterations that have occurred.

The Department has established an inexpensive and accessible system for ratepayers to challenge (appeal) their property assessment at the Regional Assessment Appeal Court. The Minister of Municipal Affairs appoints a Chairman and Vice-Chairman in each assessment region who act as impartial chairpersons during the relatively informal Regional Assessment Appeal Court proceedings and who are responsible for rendering a decision on each case. A ratepayer, if dissatisfied by a decision of the Appeal Court, may then appeal to the Municipal Board and subsequently to the Supreme Court of Nova Scotia.

The Regional Assessment Appeal Court Recorder is located in each of the regional offices with the exception of the Recorder for the Shelburne-Queens Assessment Region, who is located in the Liverpool office. The Recorder is responsible for many of the duties in the appeal process formerly performed by the Municipal Clerk. The Recorder is detached from the assessment function and is ultimately responsible for ensuring that all appeals launched by the ratepayers are processed according to the Assessment Act.

To ensure and maintain the integrity of the assessment data, the Department, in consultation with a private auditing firm, has developed a comprehensive audit program designed to test the adequacy of internal controls over the property assessment system. The ultimate aim of Municipal Affairs is to create an assessment system with internal controls which can be

relied upon by external auditors in their examination of the accuracy and completeness of the assessment data in the computer system. This analysis extends to the annual assessment roll which forms the basis of property taxation conducted by the municipal units.

The thrust of this audit program is toward the achievement of consistency in the 15 regional offices with regard to current assessment practices and the overall strengthening of internal controls. As a result of a recommendation from the 1981 external audit report the Assessment Division implemented an internal audit. This internal audit, which augments the audit program, is based on the same procedures and objectives as the external audit. An audit team, comprised of six regional directors, carried out the internal audit during May/June of 1986.

In 1982 the Institute of Public Affairs at Dalhousie University conducted a Training Needs Analysis of the three year correspondence course in property assessment and the one year advanced course on urban land economics. Complete course revision was recommended. In conjunction with Henson College (formerly the Institute of Public Affairs), the Assessment Division is currently developing a four year certificate program in property assessment. The program, designed to accommodate three groups (new employees, seasoned assessors and senior management), is intended to compliment training the assessors will

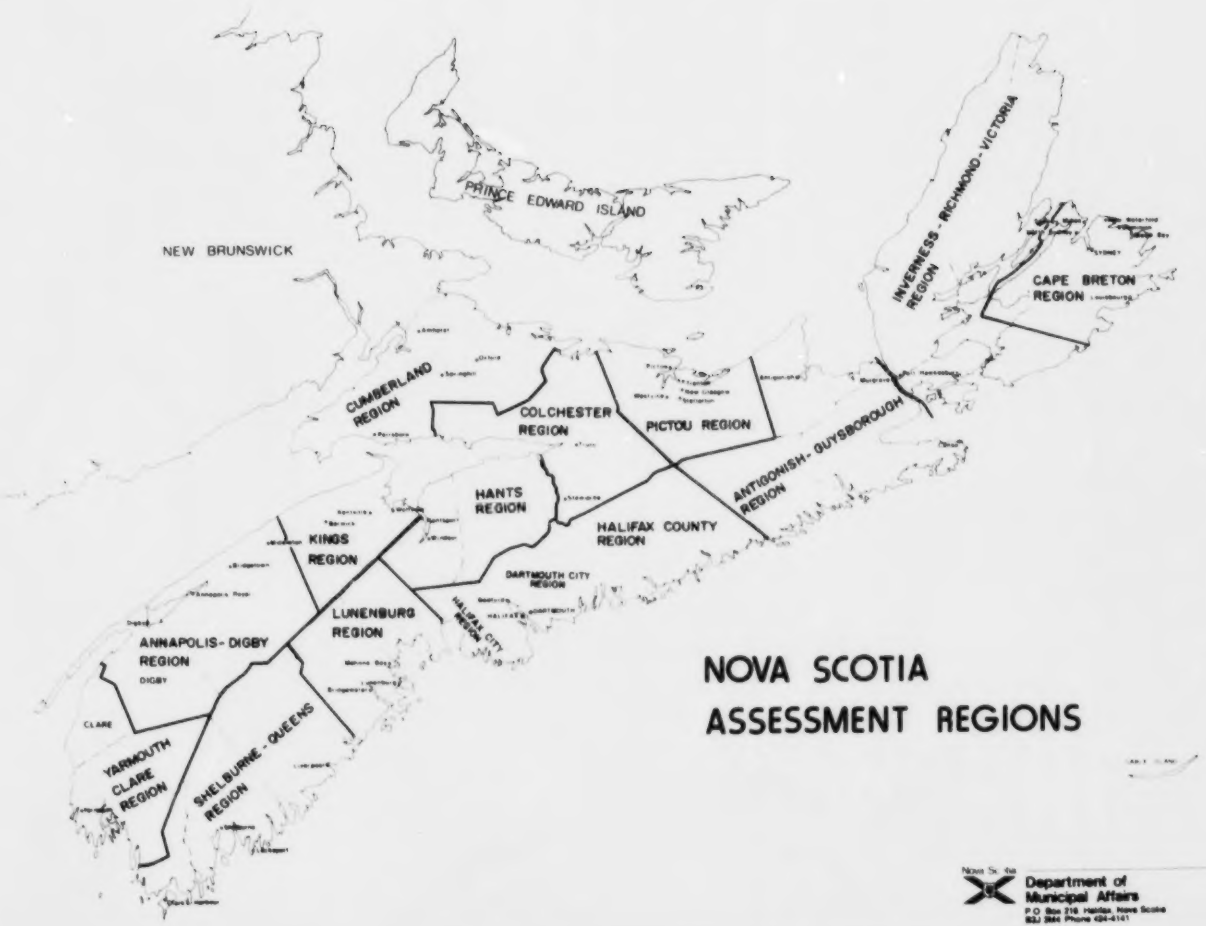
receive on the job, through individual work experience and through professional studies and activities. Registration for the 1986-87 academic year had an enrollment of over 30 assessment personnel. The Assessment Division is also involved with a Trans-Canadian Assessment Training Program Steering Committee. The Committee is comprised of equal representation of both educational institutions and assessment jurisdictions from the provinces of Nova Scotia, Ontario, Quebec, Saskatchewan, Alberta, Manitoba, New Brunswick, Newfoundland, Northwest Territories, Prince Edward Island and the Yukon Territory. The primary purpose of the Committee is to develop a comprehensive National training program for assessors. In July, 1987 the Committee met in Prince Edward Island to further pursue this goal.

The 35th Annual Assessors' School was held in April, 1986. The primary purpose of the Annual School is to improve the quality of assessment in Nova Scotia through a comprehensive program of seminars. The 1987 School provided a wide scope of topic areas for all participants ranging from micro computers, to the fundamentals of commercial assessments; from stress management to the implications of computer-assisted mass appraisal. Sessions were held for mapping technicians which included the legal and practical side of mapping along with a presentation on surveying without maps. Senior management (both regional directors and senior assessors) participated in workshops for technical as well as professional development which included public relations, situational leadership and advanced costing techniques.

In 1983 the Assessment Division established two awards to be presented annually to the top assessment region of the year and to the assessor of the year. In 1987 the Annual Assessment School, the Dr. Hugh S. MacGlashen Award for the top region of the year was presented to the Colchester Assessment Region, and the Kevin J. MacDonald Award for Assessor of the Year was presented to G. Stillman Smith from the Shelburne-Queens Assessment Region.

1987 ASSESSMENT ROLL DATA

Classification	Number of Occurrences	Assessment Dollars
Residential	324,253	$15,253,544,368
Commercial	28,155	8,577,622,248
Commercial Equipment	1,165	796,786,592
Resource	86,163	670,623,853
Business Occupancy	23,057	1,680,330,400
Farm	23,297	263,016,340
Forest	53,062	961,784,807
Non-Profit	126	12,246,347
Taxable Assessment		$21,432,772,825
Exempt Assessment		$ 7,277,350,021
Total		$28,710,122,846
No. of Dwelling Units		343,738
No. of Accounts		458,134



Nova Scotia
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COMMUNITY PLANNING

The Community Planning Division is responsible for the administration of the Planning Act and the provision of information and assistance in the land use and community planning field to municipalities, government departments and interested individuals and organizations.

Through liaison with local planners, the Division provides advice on plan initiation and development, and on general planning matters. In municipalities that do not have specialized planning capabilities the Division has initiated planning processes by increasing community awareness about planning, and assisting in the resolution of specific planning-related problems. In certain circumstances, at the request of the municipal council, the Division plays a more direct part in the preparation of the planning strategy and land use by-law.

The Division also provides information and professional and technical support to other divisions and departments on land use policy, programs and projects. An extensive map library enables the provision of base maps and information on existing land use, central sewer and water systems, and other land information to governments and the general public.

The Division administers provincial subdivision regulations affecting the dividing of land parcels in 23 towns and 14 rural municipalities. The remaining 29

municipal units administer their own subdivision by-laws. These regulations are administered by provincial development officers located in Sydney, Port Hawkesbury, Stellarton, Truro, Halifax, Bridgewater, Annapolis Royal and Yarmouth.

The Department provides cost-sharing and staff assistance for municipal planning services to many municipal units in the Province. Direct financial support to individual municipal units amounted to $600,400 and the Department's support to District Planning Commissions was $757,000.

Staff have been working with other Departments through the Provincial Land Use Policy Committee. Current and recent projects of this committee include studies of rural residential land subdivision procedures, downtown development, agricultural land use, wildlife habitats, land use information systems, mapping co-ordination, and water issues.

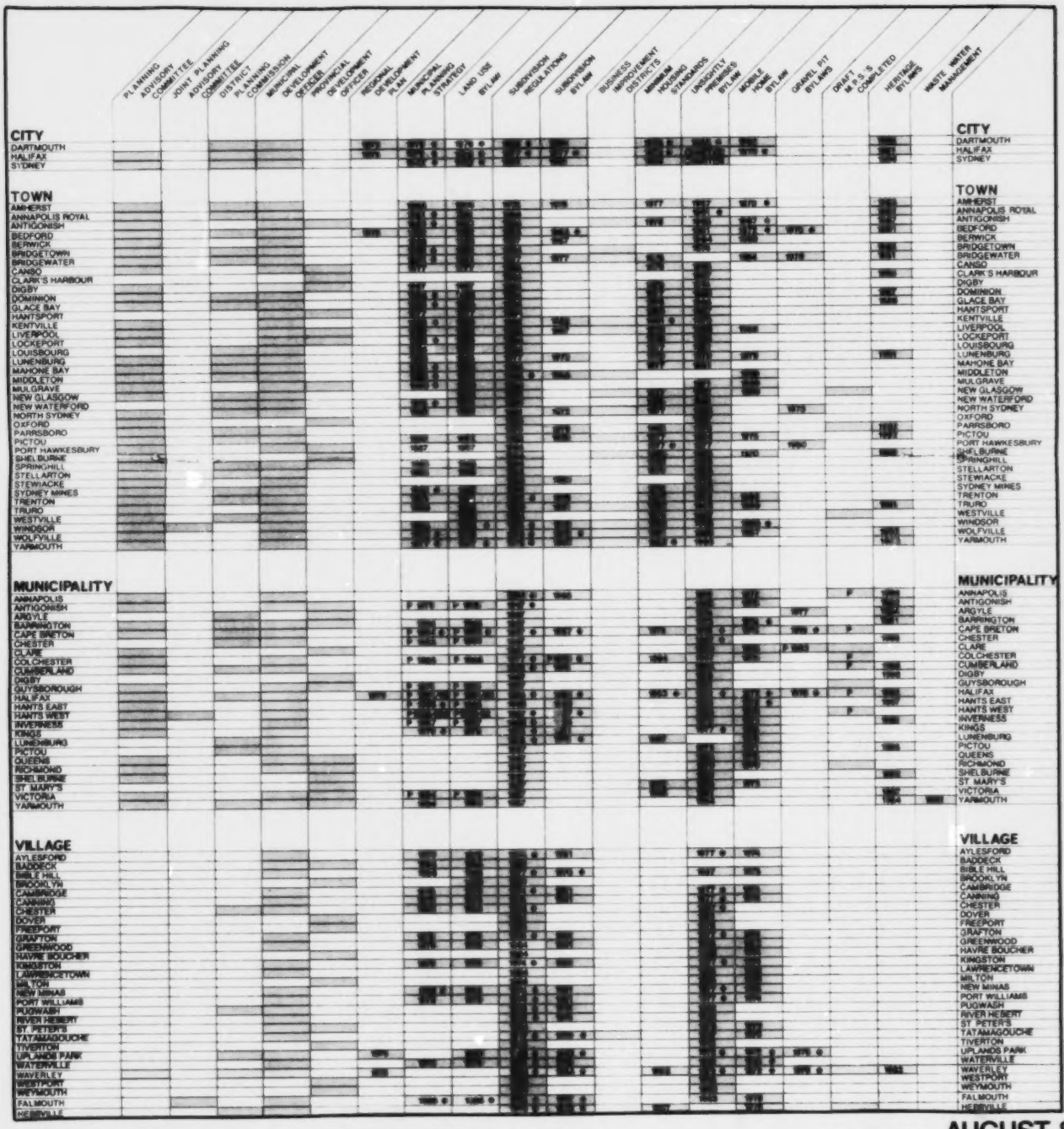
The Division supports the Department of the Environment, which has primary responsibility for the administration of the Canada-Nova Scotia Flood Damage Reduction Program, with members serving on the Steering and Technical Committees.

Staff provided engineering assistance and advice concerning water and sewer servicing needs as required by municipal units. Engineering input was also available for the evaluation of municipal applications for financial assistance under the Provincial Capital Assistance Program.

The Division developed a full range of regulations and support materials to help municipalities implement the first province-wide Building Code, which came into effect April 1, 1987.

NOVA SCOTIA

COMMUNITY PLANNING



Note This chart is for information purposes only and is up to date as of Aug. 87. For accurate reference the records of the appropriate municipality should be consulted

Note The date shown on this chart is the date of the original document. An # indicates amendment. Amendments to a Land Use bylaw are not shown on this chart except where the amendment reflects a substantial addition to the Land Use bylaw which requires the approval of the Minister of Municipal Affairs

P - Part of Municipality

AUGUST 87

DEPUTY MINISTER'S OFFICE

Legal Services

The Department's solicitors provide legal counsel to the Department on matters within the scope of the legislation that it administers. In addition, they review all by-laws passed by municipal councils before they are submitted for the Minister's approval.

All borrowing resolutions for capital purposes are prepared by the Department for the local councils. Once passed by the council, they are returned for the Minister's approval. A number of other resolutions that require the Department's approval are reviewed by the solicitors before being submitted to the Minister. A number of model by-laws are available to municipalities to use as a guide.

The solicitors occasionally provide information and advice to municipal solicitors, when requested, although the municipalities are urged to rely on their own solicitors for legal advice.

Personnel

The Personnel Section advises and assists the Deputy Minister and Divisional Managers in the selection, development, and effective utilization of available human resources for the Department; administers all employment-related legislation and contractual agreements; and provides payroll and personnel benefit services.

FINANCE AND ADVISORY SERVICES

In June 1986 Municipal Advisory Services was amalgamated with Finance and Administration to form the Finance and Advisory Services Division.

The objectives of this new Division are:

1. to ensure that sound financial management is practiced in the administration of the Department's budget as it relates to its internal operation, as well as to the several municipal grant programs administered by the Division.

2. to provide advice, assistance and direction to the 66 municipal units in Nova Scotia, primarily in the broad areas of finance and administration.

These objectives are met through the assignment of specific responsibilities to each of the six sections comprising the Division: finance and administrative services, statistics and systems, municipal training, urban transportation, management information systems and municipal advisory services.

The Division participates in the activities of:

1. Joint Department of Municipal Affairs - Union of Nova Scotia Municipalities Task Force

2. Intergovernmental Conferences on Local Government Information Development

3. Nova Scotia Municipal Finance Corporation

4. Regional Assessment Appeal Court Committee

5. Canadian Urban Transit Association

6. National Government Funding Agencies Committee for Urban Transit

7. Urban and Regional Information Systems Association

8. Joint Committee of the Certificate Course in Municipal Administration.

Finance and Administration

The Finance and Administration section of the Division is responsible for the internal financial management of the Department and the administration of the various municipal grant programs of the Department.

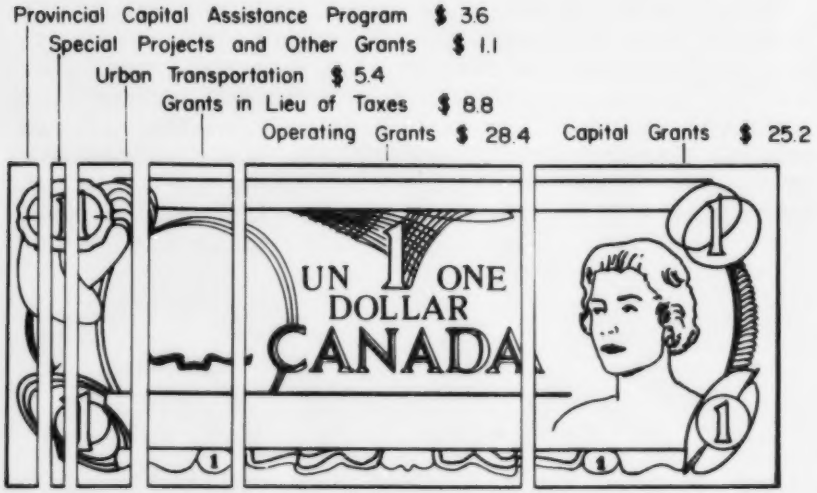
With reference to the internal financial management, this section provides the direction for the preparation of the Department's annual estimates by helping other divisions establish realistic financial compilations. Proper accounting and auditing

procedures are essential to ensure accurate control and recording of all expenditures, revenues and recoveries.

This section of the Division also directs the acquisition of all equipment, furniture and supplies for the Department's Head Office and its regional assessment offices. In addition, it provides office accommodations necessary to ensure that working conditions and the job-related environment are conducive to greater staff satisfaction and productivity.

Besides administering the policies and directives of government, this section also co-ordinates the provision of many centralized services such as word processing.

During 1986-87, a total of $72.5 million in grants and assistance was distributed through this section of the Division. As noted in the accompanying chart, the majority of these grants ($60.4 million), were paid pursuant to the Municipal Grants Act.


Provincial Capital Assistance Program $ 3.6
Special Projects and Other Grants $ 1.1
Urban Transportation $ 5.4
Grants in Lieu of Taxes $ 8.8
Operating Grants $ 28.4
Capital Grants $ 25.2
UN ONE
DOLLAR
CANADA

DOLLAR DISTRIBUTION OF GRANTS BY PROGRAM (in millions)

Statistics and Systems

The Statistics and Systems section is responsible for the development and co-ordination of accounting, auditing, and reporting systems for municipalities based on standards of consistency and uniformity. Staff annually collect and compile financial and other statistical information from the reports submitted by local governments. This information is used to estimate and verify grant entitlements, analyze the financial condition of municipalities, research new proposals for provincial-municipal grant programs, and for the annual publication of the booklet, Municipal Statistics.

In addition, the section annually provides municipal financial information to Statistics Canada for both their Economic Analysis and Financial Management Series and to the Department of Finance for inclusion in the calculation of the equalization payments from Ottawa.

The Statistics and Systems section periodically reviews and updates the Municipal Accounting and Reporting Manual and is also engaged in interpreting and explaining the manual for municipal auditors and municipal administrators. Annually, the section reviews applications of individuals and firms wishing to be registered as municipal auditors, and recommends those qualified to the Minister.

The section also develops the standard expenditure per dwelling unit for each of the five classes of municipal units used in calculating the annual operating and capital grants payable under the Municipal Grants Act.

Municipal Training

The Municipal Training Section provides a number of training programs for a variety of municipal employees on a regular schedule.

Building code courses for building inspectors attract participants from Atlantic Canada and beyond, and serve a variety of agencies. In addition, certification programs for both Atlantic Canada building inspectors and development officers are managed by the training section.

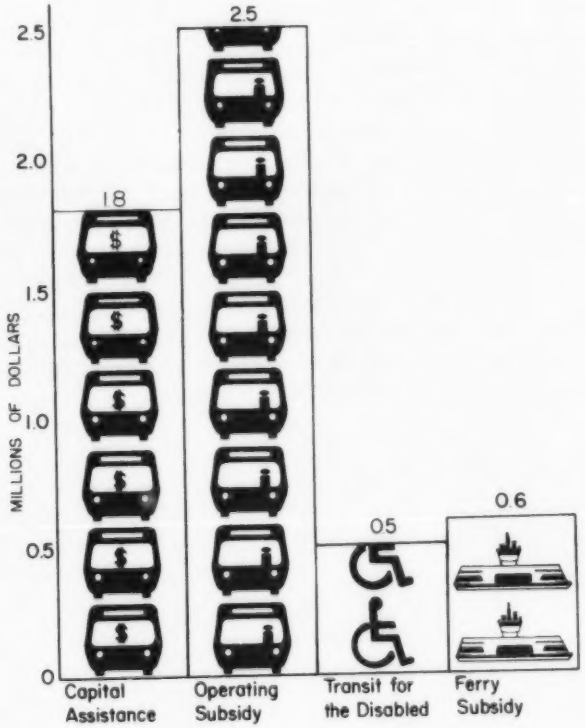
Current information on building codes, standards, construction methods and test data on new building products are maintained in this section, and matters related to building codes are dealt with by them. Staff represent the Department on a number of advisory councils. Secretariat services are provided to the Atlantic Building Officials Councils.

Consultation on program design and learning activities for seminars and conferences is provided to diverse municipal groups and liaison is maintained through educational advisory groups.

Urban Transportation

Through the Urban Transportation Section the Department provides financial assistance to Regional Transit Agencies to help public transit make an effective contribution towards the social, economic and mobility needs of all citizens. During 1986-87, a total of $5.4 million in grants and assistance was paid for urban transportation throughout the Province. The accompanying chart provides a breakdown of the amounts paid under the various components of the program.

On an ongoing basis the section works closely with management of local transit agencies in an attempt to improve scheduling, service delivery and enhance overall productivity.



URBAN TRANSIT SUPPORT PROGRAMS

Management Information Systems

This Section is responsible for the coordination and implementation of all Electronic Data Processing (EDP) projects of the Department. It acts as a resource for all divisions and works closely with other government departments to ensure that EDP plans are met in the most cost-effective manner.

During the past year the Department continued to build on progress previously made in this area. The Department completed a major study of the potential for implementation of a computer-assisted mass appraisal system to assist in assessment implementation of this system. The Department also upgraded its computer hardware and communications facilities throughout the Province, and installed microcomputers in each of its Regional Assessment Offices. Initiatives are now underway to ensure that staff receive orientation and training to ensure the most productive use of the new equipment.

Within the Department's Head Office, use of microcomputers has continued to grow as benefits from their application in new areas are determined. The MIS section also completed a revision of the Department's Long-Range Systems Plan for presentation to Management Board as the next step in the EDP planning process.

Municipal Advisory Services

This Section's activities encompass all aspects of municipal operations including boards, commissions and agencies. This section is involved, on an ongoing basis, with the review of operating and capital budgets, and advising municipal units on matters pertaining to administration, financial management, auditing, accounting, reporting and capital financing.

Specific duties of the section include:

Budgeting

To arrive at an annual budget, municipal units must estimate all expenditures and revenues, other than tax revenues, for the upcoming year. Any deficiency constitutes the tax levy to be assessed to property owners, resulting in a tax rate. The Division assists municipal units by reviewing annual estimates with municipal staff and councils. Inflationary pressures, capital projects, new service offerings, rates of growth, and the size of the assessment base all have an impact on municipal budgets. Some of the budgetary reviews involve advice and recommendations to staffs and councils that promote a process of continuous discussion and feedback. In other cases, when a specific request for emergency funding is made, the budget review includes recommendations to the Minister with regard to additional financial assistance.

The Division advises on all financial matters relating to municipal government operations including its boards, commissions and agencies.

In addition to preparing operating estimates, councils must approve a three-year capital budget which identifies expenditures for capital purposes. Sewer and water systems, paving, and buildings are examples of capital expenditures.

Staff of this section continue to assist in the preparation of municipal capital budgets, and to provide advice pertaining to the legislative restrictions regarding the disposition of provincial capital grants in Nova Scotia.

Capital Financing

Liaison with municipal units from the time a capital project is initiated through to project completion is an ongoing activity.

Capital projects result in costs which affect municipal operating estimates and generate subsequent increases in tax rates or user charges. This section is often called upon to evaluate the capital financing alternatives available to the municipalities. Generally, this involves the identification of capital expenditures to be initiated, the determination of sources of funds available, the potential phasing in of

capital expenditures over a number of years and proposed funding of any municipal borrowing requirements. Financial implications and the impact on the tax rate are projected through the municipal operating estimates and an assessment is made of a municipality's ability to borrow.

This section prepares temporary capital borrowing resolutions which the municipal units use to borrow from a trust company or bank for a proposed municipal project. After completion, long-term financing is by the issuance of debentures by the municipal unit to the Municipal Finance Corporation for which this section prepares the necessary documentation. The Corporation borrows the money, with the guarantee of the Province, and subsequently lends the funds to the municipal units.

POLICY DEVELOPMENT AND RESEARCH

Policy Development and Research was established in response to a growing need within the Department for an increased capacity to develop, through research and consultation with affected parties, policies and programs aimed at resolving the various problems arising from changing needs in municipal government.

The Division is responsible for the formulation of policy and operational alternatives for consideration by the Department, the Government, and where appropriate, the municipalities, and for making recommendations thereon. It is also responsible for research to be used as the basis for policy decisions. It monitors current and proposed policies and programs at all government levels that affect municipal government in Nova Scotia and brings to the attention of the Department and the Minister actual or potential problem areas. The Division is also required to formulate and advance a range of alternative solutions or policies with respect to identified problems together with recommendations for implementation by the Department or Government.

Task Force

The Joint Union of Nova Scotia Municipalities-Department of Municipal Affairs Task Force on Municipal Reform consists of the Executive Director, financial consultant and solicitor from the Union of Nova Scotia

Municipalities and senior staff from the Department. This Task Force spent a busy and informative year investigating and discussing various areas of common interest to provincial and municipal levels of government. The Division continues to spend a considerable amount of effort in preparing working documents for the Task Force. The Task Force meets regularly to examine present and projected areas of mutual concern. Its emphasis is on providing an effective vehicle for the ongoing development of policies and programs that will ensure a continuing and responsible system of municipal government in Nova Scotia.

Provincial-Municipal Fact Finding Committee

Established in 1985, the Provincial-Municipal Fact Finding Committee continues to meet on a regular basis to review matters related to provincial and municipal responsibilities for the delivery and finance of services to Nova Scotians.

Chaired by Premier John M. Buchanan, the Committee is comprised of four members of the Executive Council including the Minister of Municipal Affairs and the five Executive Officers of the Union of Nova Scotia Municipalities. Two independent advisors provide advice and assistance to the provincial and municipal representatives respectively. The Department of Municipal Affairs Director of Policy Development and Research acts as the Committee's Executive Secretary.

Microcomputer Usage

Introduction of the microcomputer within the Department has greatly assisted the Division in computing statistical and financial data relating to municipalities, and in preparing various analytical reports for policy formulation. Projects undertaken include analysis of municipal rates and taxes, assessment-related impacts on municipal finances, population trends, surveys, and their computations and analyses in topical areas.

By-laws Committee

For the second year, division staff participated on a Municipal By-laws Committee charged with responsibility to review by-laws contained in provincial statutes, for possible reform.

Following distribution of its "By-laws Discussion paper" in August, 1985, the Committee examined in detail over 55 written responses from various councils, municipal solicitors and administrators. The Committee's recommendations were outlined in a Final Report which was released in December, 1986.

Publications

An important part of the Division's work has been the preparation of office consolidations of the major statutes affecting municipal government: the Assessment Act, the Municipal Act, the Municipal Affairs Act, the Municipal Elections Act, the Towns Act, and the Village Service Act. The Division regularly updates each of these office consolidations to reflect recent amendments.

Other Division endeavors included preparation of both the Department's Annual Report and "Financial Assistance Programs for Nova Scotia Municipalities". The latter publication is updated annually and has proved to be of considerable assistance to the municipalities.

Information

The Department's Information Officer is attached to the Policy Development & Research Division. The Information Officer's role is to provide information to the public and other government departments and agencies about the activities and programs of the Department.

The Division continued as the Department's representative on the Intergovernmental Committee on Urban and Regional Research. In addition, the Division served as the liaison between Statistics Canada and the Province with respect to municipal boundaries.

Over the past year the Division continued to monitor legislative and research activities of other municipal and provincial governments across Canada. It also provided assistance to students and members of the general public who had specific requests for information regarding municipal affairs and provincial-municipal relations in Nova Scotia and Canada. The departmental library, which comes under the Division's auspices, continues to assist those seeking information on municipal government.

Copies of most of these Acts are available from:

Nova Scotia Government Bookstore
P.O. Box 637
One Government Place
1700 Granville Street
Halifax, Nova Scotia
B3J 2T3

(902) 424-7580

Copies marked * are not available at the Bookstore but can be obtained through the Department and the Legislative Library.

LEGISLATION

Legislation Administered by the Department of Municipal Affairs

Assessment Act (c.14) and Regulations
Bonus Act (c.26)
Building Access Act (1976, c.7)
*Building Code Act (1977, c.5)
Deed Transfer Tax Act (1968, c.10)
Ditches and Water Courses Act (c.78)
Fences and Impounding of Animals Act (c.104)
*Industrial Commissions Act (c.137)
Louisbourg District Planning & Development Act (1963, c.6)
Municipal Act (c.192), Office Consolidation
Municipal Affairs Act (1982, c.9)
Municipal Board Act (1981, c.9)
Municipal Boundaries and Representation Act (c.195)
Municipal Conflict of Interest Act (1982, c.11)
Municipal Elections Act (1978-79, c.4), Office Consolidation
Municipal Grants Act (1980, c.10)
*Municipal Housing Corporations Act (c.200)
Municipal Loan and Building Fund Act (c.201)
Peggy's Cove Commission Act (1962, c.10)
Planning Act (1983, c.9) and Regulations
Regional Transit Authority Act (1978-79, c.7)
*Rural Fire District Act (c.272)

Sheep Protection and Dog Regulation Act (c.281)
Stray Animals Act (c.294)
Towns Act (c.309), Office Consolidation
Village Service Act (c.329)

Changes in Legislation
Spring Session 1986

Amendments

1986, c.46 — The Village Service Act was amended to remove the requirement for ministerial approval of by-laws respecting change in boundaries. The Act also provides that upon application to the Board for boundary changes, the Board, after taking into account the expediency, financial position and obligations, taxation burden and other relevant matters, may order boundaries to be more fully described and changed.

1986, c.3 — The Building Code Act came in force on April 1, 1987 and repeals the former Building Code Act. It provides for the establishment of a provincial building code, which is enforced by municipal units.

1986, c.56 — The Building Access Act was amended to provide that it does not apply to buildings to which the Building Code Act applies.

1986, c.65 The Municipal Boundaries and Representation Act was amended to remove an inconsistency in the Section governing periodic review of municipal polling districts.

1986, c.6 The Municipal Act was amended by the deletions of reference to jails in all sections of the Act, in accordance with the new Corrections Act of 1986.

1986, c.62 The Municipal Finance Corporation Act was amended by making hospitals eligible to borrow from the Corporation. It stipulates for payments, appointment of trustees and recovery procedures, if hospitals default in payments required to be paid to the Corporation.

1986, c.60 The Metropolitan Authority of Halifax, Dartmouth and County of Halifax amendments were made to change the names of the Metropolitan Authority of Halifax, Dartmouth and the Municipality of the County of Halifax and the Metropolitan Transit Commission of Halifax, Dartmouth and the Municipality of the County of Halifax to the "Metropolitan Authority" and the "Metropolitan Transit Commission", respectively. The Town of Bedford is added as a member of the Authority and Commission, with

consequential amendments to the composition and management of the Authority and Commission to accommodate the new member. The Metropolitan Transit Commission is dissolved and constituted as part of the Metropolitan Authority. Provision is made for the Authority to have an independent Chairman elected by the participating municipal units. The position of Executive Director of authority is created.

1986, c.6 The Towns Act was amended by the deletion of references to jails in all sections of the Act, in accordance with the new Corrections Act of 1986.

1986, c.63 The Municipal Grants Act was amended by adding new sections stipulating reductions in the 1986 operating grants to municipalities. Amendments have been made allowing municipalities to enter into agreements which grants tax exemptions or concessions, with the tax payable under these authorized agreements capitalized for the purpose of calculating uniform assessment.

1986, c.22 In the Assessment Act the definition of assessable machinery and equipment is clarified. Property of non-profit community cemeteries is made tax exempt and municipal by-laws granting tax

exemptions to non-profit organizations and water utilities no longer require ministerial approval. Provisions respecting business occupancy assessment are amended to deal with common areas in commercial property. Rules for valuation of assessable machinery and equipment are added. The Director of Assessment is authorized to add property omitted from the assessment roll before the end of the year in which the roll is filed, to reclassify commercial property to residential or resource, if necessary, and to issue amended notices of assessment in cases of gross and manifest error. Where the Director alters an assessment as a result of a review of the assessment on appeal, he is to recompute any business occupancy assessment affected and issue an amended notice of assessment. The same procedure is to be followed if the commercial assessment is altered by the regional assessment appeal court. Municipal councils are empowered to provide a formula for the automatic adjustment of interest rates on overdue rates and taxes.

PRINTED MATERIAL

Title: *Department of Municipal Affairs Annual Report - N/C

Contents: A general overview of the Department and its activities

Title: Department of Municipal Affairs Annual Report of Municipal Statistics

Contents: First published in 1909 under the Department of the Provincial Secretary, this document provides extensive statistical information, primarily financial, about municipal government in Nova Scotia.

Title: *Financial Assistance Programs for Nova Scotia Municipalities $3.00

Contents: A digest to the various grants available to municipalities in Nova Scotia from both provincial and federal government departments and agencies

Title: Nova Scotia Planning Seminar

Contents: Published proceedings of annual conferences

Title: *Nova Scotia Municipal Board Decisions, 1986

Two Volumes $10.00

*Publications available from:

The Nova Scotia Government Bookstore
P.O. Box 637
1700 Granville Street
Halifax, Nova Scotia
B3J 213

(902) 424-7580

HEAD OFFICE

	(Area Code 902)		
Minister's Office	424-5551	Finance & Grants	424-6642
Deputy Minister's Office	424-4100	Library	424-5965
Administrative Services	424-5666	Municipal Advisory Services	424-5760
Assessment	424-5671	Municipal Training Services	424-8046
Community Planning	424-4091	Personnel Manager	424-2717
		Policy Development & Research	424-5901
		Solicitors	424-7578

ASSESSMENT OFFICES

Annapolis-Digby Region
(Municipalities of Annapolis and Digby; Towns of Annapolis Royal, Bridgetown, Digby and Middleton)
Annapolis Royal, Anna. Co. B0S 1A0
Basement, Municipal Building
P.O. Box 237
532 - 2374

Antigonish-Guysborough Region
(Municipalities of Antigonish, Guysborough, and St. Mary's; Towns of Antigonish, Canso and Mulgrave)
Antigonish, Antigonish Co. B2G 2H5
42 West Street, Suite 116
863 - 1346; 863 - 1347
Guysborough, Guys. Co. B0H 1N0
1st Floor, Municipal Bldg.
533 - 2154

Cape Breton Region
(City of Sydney; Towns of Glace Bay, New Waterford, Dominion, Louisbourg, Sydney Mines, North Sydney; Municipality of Cape Breton)
Sydney, Cape Breton Co. B1P 6J9
Civic Centre, P.O. Box 1178
563 - 2150

Colchester Region
(Municipality of Colchester; Towns of Truro and Stewiacke)
Truro, Colchester Co. B2N 5C5
201 Queen Street, P.O. Box 433
895 - 6354; 895 - 6355

Cumberland Region
(Municipality of Cumberland; Towns of Amherst, Springhill, Oxford and Parrsboro)
Amherst, Cumberland Co. B4H 3Y6
1st Floor
50 Victoria Road East
P.O. Box 4
667 - 3397; 667 - 3398

Dartmouth City Region
Dartmouth, Halifax Co. B3A 1L9
Metropolitan Place
Suite 1050, 99 Wyse Road
464 - 2156

Halifax County Region
(Municipality of Halifax Co.; Town of Bedford)
Armdale, Halifax Co. B3L 4K3
2nd floor, Municipal Building
38 Dutch Village Road
P.O. Box 300
477 - 5641

Halifax City Region
Halifax, Halifax Co. B3J 3A5
3rd Floor, Duke Street Tower
Scotia Square
P.O. Box 1749
421 - 6444

Hants Region
(Municipalities of Hants, East, Hants, West: Towns of Windsor and Hantsport)

Windsor, Hants Co. B0N 2T0
Corner Gerrish & Grey Streets
P.O. Box 188
798 - 8337

Milford, Hants Co. B0N 1Y0
1st Floor, Municipal Building
P.O. Box 190
Shubenacadie B0N 1Y0
758 - 2290

Inverness-Richmond-Victoria Region
(Municipalities of Inverness, Richmond, Victoria; Town of Port Hawkesbury)

Port Hood, B0E 2W0
2nd Floor, Court House
P.O. Box 98
787 - 2288

Baddeck, B0E 1B0
2nd Floor, Court House
295 - 2568

Arichat, B0E 1A0
1st Floor, Court House
226 - 3688

Port Hawkesbury, B0E 2V0
2nd Floor, Provincial Building
625 - 2318

Kings Region
(Municipality of Kings; Towns of Kentville, Wolfville and Berwick)

Kentville, Kings Co. B4N 3X1
Municipal Building
Cornwallis Street
P.O. Box 394
678 - 3618

Lunenburg Region
(Municipalities of Lunenburg and Chester: Towns of Lunenburg, Bridgewater and Mahone Bay)

Bridgewater, Lunenburg Co. B4V 2W6
215 Dominion St.
1st Floor, Court House
P.O. Box 86
543 - 4344

Chester, Lunenburg Co. B0J 1J0
Municipal Building
275 - 3554

Pictou Region
(Municipality of Pictou: Towns of New Glasgow, Trenton, Stellarton, Westville and Pictou)

Westville, Pictou Co. B0K 2A0
3rd Floor, Civic Building
P.O. Box 913
396 - 4196

Shelburne-Queens Region
(Municipalities of Shelburne, Barrington and Queens: Towns of Clark's Harbor, Shelburne, Lockeport and Liverpool)

Shelburne, Shelburne Co. B0T 1W0
2nd Floor, Court House
Hammond St., P.O. Box 729
875 - 3401

Liverpool, Queens Co. B0T 1K0
2nd Floor, Reynolds Drug Store
Main Street
354 - 3161

Barrington, Shelburne Co. B0W 1E0
1st Floor, Municipal Bldg.
637 - 2428

Yarmouth-Clare Region
(Municipalities of Yarmouth, Clare and Argyle, Town of Yarmouth)

Yarmouth, Yarmouth Co. B5A 2T1
1st Floor, Provincial Bldg.
10 Starrs Road
742 - 7143

Little Brook, Digby Co. B0W 1Z0
1st Floor, Municipal Bldg.
769 - 2031

COMMUNITY PLANNING FIELD OFFICES

Provincial Subdivision Office
Central Trust Building
Reeves Street
Port Hawkesbury, Nova Scotia
B0E 2V0
1 - 625 - 1772 (Toll Free)

Provincial Subdivision Office
10 Starrs Road
Yarmouth, Nova Scotia
B5A 2T1
1 - 742 - 3515 (Toll Free)